July 9, 2003

TO: Internal File

THRU: Priscilla W. Burton, Environmental Scientist III/Soils, Team Lead

FROM: Peter H. Hess, Environmental Scientist III/Engineering

RE: Stockpile Area Expansion, Andalex Resources, Inc., Wildcat Loadout,

C/007/033-AM03A

SUMMARY:

The permittee submitted a permit amendment application to the Division on May 12, 2003, that would allow the expansion of the coal stockpile storage area located west of sediment pond "B". This pile is dedicated to the storage of coal from the West Ridge Mine and is designated as the "A2, B" stockpile on Plate 1, Wildcat Loadout Surface Facilities, as submitted with amendment 03A.

This technical memo has been prepared utilizing the regulatory requirements of R645-302-264.500, support facilities for Coal Processing Plants Not Located Within the Permit Area of a Mine, R645-302-260.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

The proposal to expand the coal stockpile area designated as "A2,B" at the Wildcat rail loading facility has been submitted by the permittee, Andalex Resources, Inc.

All ownership and control information contained in the report filed with the Utah Department of Commerce lists Andalex Resources, Inc. as a Corporation authorized to conduct business in the State of Utah. Analysis of the AVS system versus Chapter 1, page 7-A of the mining and reclamation plan indicates that no changes have been made in Corporate personnel. The submitted information is adequate and correct.

Findings:

This section has met the minimum regulatory requirements based upon current information in the Mining and Reclamation Plan.

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

There are no violations currently pending for the Wildcat rail loading facility.

Findings:

The minimum regulatory requirements have been met.

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

The proposed amendment to expand the stockpile storage area is within the currently approved disturbed area for the Wildcat site. Right of Entry has been previously established and has been in place for many years via a surface lease agreement with the U.S. Department of the Interior, Bureau of Land Management.

Findings:

The minimum regulatory requirements have been addressed.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The proposed amendment to expand the stockpile storage area is within the currently approved disturbed area for the Wildcat site. The site has been active for many years and has received the proper lease agreements, and necessary permits from all government agencies which have been involved with the permitting of this coal transportation site. The need for the applicant to address that the proposed permit area is not within an area designated as unsuitable for mining is unnecessary.

Findings:

The minimum regulatory requirements have been addressed previously.

PERMIT TERM

Regulatory References: 30 CFR 778.17; R645-301-116.

Analysis:

The current permit for the Wildcat Loadout, C/007/033, as issued by the Utah Division of Oil, Gas, and Mining is in effect until May 5, 2004.

Findings:

The State permit for the Wildcat site is current, and meets the minimum regulatory requirements.

PUBLIC NOTICE AND COMMENT

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

The proposed amendment would occur within the current disturbed area for the Wildcat facility. A public comment period is not necessary for the approval of this amendment by the Division.

Findings:

This regulation is not applicable.

FILING FEE

Regulatory Reference: 30 CFR 777.17; R645-301-118.

Analysis:

A filing fee is not required by the Division for the processing of this amendment.

Findings:

This regulation is not applicable.

PERMIT APPLICATION FORMAT AND CONTENTS

Regulatory Reference: 30 CFR 777.11; R645-301-120.

Analysis:

The mining and reclamation plan for the Wildcat site as it currently exists is in the outdated format, which referred to regulations under the UMC designation. Although the permittee is currently working to update the format of the mine plan, the status of that progress is unknown at this time.

It is not known if the contents of this application have been determined as complete by the Division's technical review staff.

Findings:

A determination that the application is administratively complete cannot be made without a finding which is generated by the Technical Analysis.

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

Analysis:

Amendment 03A is proposing to increase the stockpile storage acreage of the West Ridge "A2, B" pile by 0.92 acres. This will require reducing the acreage of ASCA #3 by 0.80 acres and the acreage of ASCA #4 by 0.12 acres respectively. Both areas utilize straw bales and vegetation as the method of treatment. The permittee has submitted a revised Plate 1, which is the surface facilities map for the Wildcat Loadout. The stockpile area expansion is highlighted in bright yellow. Plate 1 was P.E. certified by Mr. Dan Guy of Blackhawk Engineering, Inc. on May 8, 2003.

Plate 1 also depicts the road that provides vehicular access about the perimeter of the proposed stockpile expansion. The Plate 1 that has been submitted as part of amendment 03A does not show the level of detail that the currently approved Plate 1, as it exists within the mining and reclamation plan, and which was last updated on March 27, 2002 shows. The approved Plate 1 classifies and designates each road within the Wildcat permit area.

Findings:

The information provided does not meet the minimum requirements for Coal Processing Plants Not Located Within the Permit Area of a Mine. Prior to approval, the Permittee must provide the following, in accordance with:

R645-301-264.500, The permittee's designation or use of "Plate 1" to describe two different maps could cause confusion in the future. Another designation for the Plate submitted as part of 03A should be made for clarification purposes, or the permittee should submit a "revised" copy of the currently approved Plate 1, as it exists within the MRP showing the revision to the stockpile storage area.

ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 701.5, 784.24, 817.150, 817.151; R645-100-200, -301-513, -301-521, -301-527, -301-534, -301-537, -301-732.

Analysis:

The expansion of the West Ridge stockpile area ("A2, B") will require relocating a portion of the road designated as PR-5 (primary road #5, See MRP approved PLATE 1, which is

P.E. certified by Mr. Dan Guy). The approved mining and reclamation plan (outdated format, section <u>UMC 784.24</u>, <u>Transportation Facilities</u>, page 152, T., Transportation, 1., <u>Roads</u>,) states that "all roads within the permit area are classified as "Primary Roads"(**R645-301-512.250**, **527.100**, **534.300**, **742.420**) in accordance with R614-301-527.100. Primary roads on the site are of two typical designs.

Primary Road 5 (PR-5) is described on page 154 of the mining and reclamation plan (Revised 09/24/90) as providing access from "the Mine Run Truck Loop (Primary Road 2) to the Loadout Tower. The road is used primarily for access for support equipment, **(R645-301-532.200)** and is a single-lane, gravel-surfaced road, approximately 2100 feet long and runs on an average grade of 2.5 percent. The finished road width is approximately 16' as shown on Plate 17A."

The road which will be constructed about the perimeter of the coal stockpile expansion area must be constructed to meet the same requirements as the remainder of PR-5, i.e., single lane, 16 foot width, gravel surface, with a 2.5 percent longitudinal grade. As depicted on Plate 17A, the sub road surface is constructed of twelve-inch native gravel, topped with six-inch road base. Outslopes for this single lane design are established at 2H:1V. Plate 17A is a design which has been P.E. certified by Mr. Dan Guy of Blackhawk Engineering.

Pages 155 and 155A of the approved mining and reclamation plan indicate that "all primary roads at this site have been designed and constructed to meet the requirements of R614-301-534.300 and 742.420, and are certified as such." "All roads are located on the most stable surface available, generally on natural ground." "There are no stream fords at this site; however, ephemeral channel crossings are provided by approved, adequately sized culverts. Drainage control (R645-301-742.410) is provided along all roads by the use of adequately sized ditches and culverts as necessary." Plate 2 designates ditch "B-15" along the outside slope of the to be constructed primary road PR-5 for the topsoil expansion area. Ditch B-15 reports all runoff from the area to sediment "B", and it has an approved design in the current MRP.

"All roads are constructed and maintained to minimize disturbance and adverse impacts on fish, wildlife, and related environmental values (R645-301-358,752.200). This is accomplished through the use of current, prudent engineering design practices, proper drainage control, dust control, speed control and frequent maintenance. (R645-301-527.230) Roads are maintained to meet applicable design standards throughout their use by blading, watering, treatment with dust control agents such as magnesium chloride, and resurfacing as necessary."

R645-301-534.100-...."Roads are located, designed, constructed, used, maintained, and will be reclaimed so as to prevent or control damage to public or private property; they will use non-acid and non-toxic forming substances in surfacing; and they will have a static safety factor of 1.3 or greater for all embankments."

R645-301-762 / **R645-301-542.600. Reclamation Requirements.** "Roads will be reclaimed immediately after they are no longer required for the operations. Road

reclamation will take place simultaneously with the property reclamation, during Phases I and II. Roads will be reclaimed as per the plan, including:

- (1) Restoring natural drainage patterns;
- (2) Reshaping cut fill slopes to be compatible with the post-mining land use;
- (3) Removal of all structures, (culverts, bridges, etc.);
- (4) Revegetation.

No roads are planned to be left at this site after final reclamation."

Findings:

The approved mining and reclamation plan for the Wildcat Loadout for the operational as well as the reclamation phases is adequate relative to the compliance requirements of R645-302-264.500. The minimum regulatory requirements for roads have been met.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Mining Facilities Maps

The permittee has submitted two map revisions as part of the information for the coal stockpile area expansion; Plate 1, Wildcat Loadout Surface Facilities, and Plate 2, Wildcat Loadout, Surface Facilities Topography (Water shed & Drainage). The maps are P.E. certified by Mr. Dan Guy on May 8th and 9th, 2003, respectively. Plate 1 shows the stockpile expansion, which is highlighted in yellow. Plate 2 also depicts the stockpile expansion area (delineated as part of the watershed reporting to sediment pond "B"). The ditch reporting runoff from the watershed to sediment pond "B" is designated as ditch "B-15". Plate 2, ASCA Areas Legend shows the adjusted acreages for ASCA areas 3 and 4 accordingly. The treatments utilized to treat these reduced acreages has not changed.

Findings:

The minimum regulatory requirements as they relate to mining facilities maps have been met.

TOPSOIL AND SUBSOIL

Regulatory Reference: 30 CFR Sec. 817.22; R645-301-230.

Analysis:

Topsoil Removal and Storage

Topsoil removal for the stockpile expansion area will not be discussed here. The purpose of this analysis is to address the potential for impact to the topsoil storage area designated as Pile "A". R645-301-234.220 requires that "stockpiled materials will be protected from contaminants". The expansion of the West Ridge "A2, B" stockpile as depicted on Plate 1 will bring the storage area 165 feet closer to Pile "A", reducing the drop zone for wind borne coal fines by a similar amount. This could be a problem if winds came from the north. Winds at Wildcat generally prevail from a westerly direction.

Findings:

The permittee may want to consider relocating topsoil pile "A" should coal fines have a tendency to accumulate on it.

REVEGETATION

Regulatory Reference: 30 CFR Sec. 785.18, 817.111, 817.113, 817.114, 817.116; R645-301-244, -301-353, -301-354, -301-355, -301-356, -302-280, -302-281, -302-282, -302-283, -302-284.

Analysis:

Revegetation: Standards For Success

The expansion of the coal stockpile designated as West Ridge "A2, B" will bring the potential for the impact of wind borne coal fines at least 165 feet closer to a second area that may create a problem. That area is the vegetation reference area, which is located approximately four hundred feet ESE of the proposed expansion. This reference area may have already been impacted by fines from the stockpile, as it currently exists. If that is the case, or if the expansion of the stockpile should place fines on this area, revegetation success requirements could be affected, as the standard will have been impacted by a negative circumstance. The potential for the effect of wind borne coal fines on the vegetation reference area is greater than that of the potential to impact the topsoil pile "A", as winds from the northwest (prevailing winds are from the west) are more likely to develop and drop fines in that area.

Findings:

Information provided in the application is not considered adequate to meet the minimum General Requirements section of the Reclamation Plan regulations. Prior to approval, the Permittee must act in accordance with the following:

R645-302-263 and R645-301-356.100, The permittee should consider either relocating the vegetation reference area, or implementing controls to reduce the potential for impact from coal fines on the reference area.

RECOMMENDATIONS:

From a permitting perspective, the submitted information is adequate to address the minimum requirements of the R645 coal rules, Engineering.

From a compliance perspective, the permittee should be aware that upon Division approval, it may be necessary to implement additional air quality controls to protect topsoil stockpile "A" and the vegetation reference area.

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